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Texas State Securities Board

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IN THE MATTER OF
SOBELL CORP. AND ANDREW GAMBER

§ Order No. ENF-16-CDO-1741
§

TO: SoBell Corp.

1000 Highland Colony Park, Suite 5203, Ridgeland, MS 39157, and
c/o Capital Corporate Services, Inc., 248 East Capital Street, Suite 840,
Jackson, MS 39201

Andrew Gamber

1000 Highland Colony Park, Suite 5203, Ridgeland, MS 39157, and
742 CR 464, Jonesboro, AR 72404

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("**Securities Commissioner**") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, Tex. Rev. Civ. Stat. Ann. arts. 581-1 to 581-44 (West 2010 & Supp. 2015) (the "**Texas Securities Act**").

The Staff of the Enforcement Division of the Texas State Securities Board ("**the Securities Board**") has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. SoBell Corp. ("**Respondent SoBell**") is a Mississippi Profit Corporation. It maintains a last known address at 1000 Highland Colony Park, Suite 5203, Ridgeland, MS 39157.
2. Andrew Gamber ("**Respondent Gamber**") is the incorporator of Respondent SoBell. He maintains last known addresses at 1000 Highland Colony Park, Suite 5203, Ridgeland, MS 39157 and 742 CR 464, Jonesboro, AR 72404.
3. Respondents are describing Respondent SoBell as follows:

- a. Respondent SoBell is offering and selling structured cash flows that offer "Predictable Income," "Fixed Returns," and "Flexible Terms."
 - b. Respondent SoBell is "a factoring company that specializes in facilitating the purchase of a broad range of Structured Cash Flows."
 - c. Respondent SoBell's "management has decades of experience in the financial services industry, and has partnered with multiple law and debt collection firms to provide industry-leading contractual agreements, escrow services and risk mitigation techniques."
 - d. Respondent SoBell "is responsible for the overall business and operations of the sales process."
4. Respondents are offering and selling pension income stream investment opportunities in Texas (the "**SoBell Pension Income Stream Program**"). The SoBell Pension Income Stream Program is described as follows:
- a. The seller of the structured cash flow, through a signed agreement, grants Respondent SoBell, as the seller's agent, the authority to sell the income stream on their behalf for a pre-negotiated price.
 - b. Once a buyer (the "investor") has been found, the original income recipient, or seller, is selling a fixed payment arising from a certain structured asset to the investor for the designated payment term. This is accomplished through a dually executed Contract for Sale of Payments.
 - c. Prior to closing, the seller must execute and send verification that directs the pension plan to divert the pension income stream to a designated servicing company, who in turn sends a new distribution to the investor.
 - d. The typical purchase price for an investor starts at \$35,000.00 and can go as high as \$1,000,000.00 or more. The payment terms are available in one-year increments starting with five-year terms and going up to ten-year terms.
 - e. The effective annual rate of return for the investor ranges from 7%-8% depending on the length of the payment term selected by the investor.
 - f. As part of the transaction, a collateral assignment of a life insurance policy on the life of the seller for the payment term of the investment is executed by the seller.
 - g. The investor is provided with the option to elect to receive a corporate promissory note to be issued by Performance Arbitrage, Inc. ("PAC") in the event of default of payments by the pensioner.

- h. Respondents represent that the SoBell Pension Income Stream Program involves pension plans from employees of the federal government, branches of the U.S. military, and/or certain corporations; and structured settlement annuities that come from highly-rated insurers such as New York Life, Metropolitan Life, John Hancock, Liberty Life, Pacific Life and others.
- 5. The SoBell Pension Income Stream Program has not been registered by qualification, notification or coordination, and no permit has been granted for its sale in Texas.
- 6. In connection with the offer of the SoBell Pension Income Stream Program, Respondents are intentionally failing to disclose material facts, to wit:
 - a. On or about April 22, 2013, the Arkansas Securities Commissioner issued Cease and Desist Order No. S-12-0015-13-OR02, styled In The Matter of VFG, LLC f/k/a Voyager Financial Group, LLC, Andrew Gamber, Kevin McNay, Robert Henry, and Jonathan Sheets. The Cease and Desist Order related to the sale of pension income streams in Arkansas by VFG Financial Group, LLC. The Order found that VFG Financial Group, LLC and the other above-named parties violated the Arkansas Securities Act by selling an unregistered security and ordered said parties to cease and desist from any further actions in Arkansas in connection with the offer or sale of securities and any other violation of the Arkansas Securities Act and Rules.
 - b. On or about March 18, 2014, the Arkansas Securities Commissioner issued a Second Cease and Desist Order No. S-12-0015-14-OR06, styled In the Matter of VFG, LLC, f/k/a Voyager Financial Group, LLC, and Richard Younkman. The Second Cease and Desist Order related to the sale of pension income streams in Arkansas by VFG, LLC and Richard Younkman. The Order found that, in connection with the sale of a security, the parties omitted and failed to provide investors with full and complete disclosure of material facts and that the parties made material misstatements to investors in violation of the Arkansas Securities Act. VFG, LLC and Younkman were ordered to cease and desist from offering and/or selling securities in Arkansas in violation of the Arkansas Securities Act and to immediately cease and desist from employing unregistered sales agents and selling securities through the use of misstatements and omissions of material facts in violation of said Act.
 - c. On or about June 23, 2014, the Arkansas Securities Commissioner issued Consent Order No. S-12-0015-14-OR07, styled In the Matter of VFG, LLC f/k/a Voyager Financial Group, LLC and Andrew Gamber. The Order related to the sale of pension income streams in Arkansas by VFG, LLC. The Order found that the parties failed to gather suitability information

from investors, omitted and failed to provide investors with full and complete disclosure of material facts and misstated facts in violation of the Arkansas Securities Act. Pursuant to the Order, VFG, LLC was ordered to offer restitution to investors and Orders No. S-12-0015-13-OR02 and No. S-12-0015-14-were affirmed. On or about June 19, 2014, Andrew Gamber agreed to the entry of the Consent Order and signed the Order both individually and on behalf of VFG, LLC f/k/a Voyager Financial Group, LLC as its managing member.

- d. On or about April 29, 2014, Andrew Gamber, on behalf of Respondent VFG, LLC f/k/a Voyager Financial Group, LLC, entered into and signed a Consent Agreement and Order styled Commonwealth of Pennsylvania Department of Banking and Securities, Bureau of Securities, Licensing, Compliance and Enforcement v. VFG, LLC f/k/a Voyager Financial Group, LLC, Docket No. 130069 (SEC-CAO). Pursuant to the Order, VFG, LLC f/k/a Voyager Financial Group, LLC was permanently barred from representing an issuer offering or selling securities in Pennsylvania, acting as a promoter, officer, director or partner of an issuer offering or selling securities in Pennsylvania, being registered or affiliated with any person registered as a broker-dealer, agent, investment adviser or investment adviser representative and relying on any exemption from registration.
 - e. The default rates relating to the sale of pension income streams by companies controlled and incorporated by Respondent Gamber.
 - f. The assets, liabilities, operating history and control persons of Performance Arbitrage Company, Inc.
 - g. After sales were made by VFG, LLC f/k/a Voyager Financial Group, LLC, and after the issuance of the above-mentioned Arkansas Cease and Desist Order No. S-12-0015-13-OR02, sales of substantially the same investment as VFG, LLC were made by a company named BAIC, Inc., which was subsequently controlled by Respondent Gamber.
 - h. That Michelle Plant, the Vice President of PAC, was also the Director of Compliance for VFG, LLC.
7. Respondents are making an offer containing statements that are materially misleading or otherwise likely to deceive the public by touting the experience of Respondent SoBell's management and not disclosing the following information:
- a. Respondent SoBell was incorporated in Mississippi by Respondent Gamber who was also a managing member for VFG, LLC f/k/a Voyager Financial Group, LLC, the company named in the above-mentioned orders.

- b. On or about November 7, 2014, the California Department of Business Oversight issued a Desist & Refrain Order that found that Voyager Financial Group, LLC and VFG, LLC violated the California Corporate Securities Law of 1968 in connection with the sale of pension income streams by omitting to state a material fact necessary in order to make the statements made not misleading. Pursuant to the Order, Voyager Financial Group, LLC and VFG, LLC were ordered to desist and refrain from offering and selling securities in California by means of any communication which included an untrue statement of material fact or omission of material fact necessary in order to make the statements not misleading.
- c. On or about December 10, 2013, the Securities Division of the New Mexico Regulation and Licensing Department issued a corrected Order to Cease & Desist and Notice of Intent to Impose Sanctions, Case No. 13-10-0013, styled In the Matter of VFG, LLC f/k/a Voyager Financial Group, Equity Advisors, LLC and Sydney Evans. The Order related to the sale of pension income streams from United States Government pensions and found that VFG, LLC deceived investors in connection with said sales and that through agents, VFG, LLC failed to adequately disclose the risks of the investment as well as the prohibition against assigning pension payments under federal law.

CONCLUSIONS OF LAW

- 1. The above-described investments are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
- 2. Respondents are violating Section 7 of the Texas Securities Act by offering and selling securities in Texas at a time when the securities are not registered with the Securities Commissioner.
- 3. Respondents are engaging in fraud in connection with the offer for sale or sale of securities.
- 4. Respondents are making an offer containing a statement that is materially misleading or otherwise likely to deceive the public.
- 5. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
- 6. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering for sale and selling any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$10,000, or imprisonment in the penitentiary for not more than ten years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 1st day of February, 2016.


JOHN MORGAN
Securities Commissioner